Agenda Date: 04/12/06 Agenda Item: 1A



STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

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IN THE MATTER OF THE AWARD OF THE WEATHERIZATION, REHABILITATION AND ASSET PRESERVATION PILOT PROGRAM GRANT

ORDER

IN THE MATTER OF THE ISSUANCE OF THE NEIGHBORHOOD WEATHERIZATION/PRESERVATION PROGRAM SOLICITATION

BPU Docket Nos. EO06030239 & EO06030240

(SERVICE LIST ATTACHED)

BY THE BOARD:1

This matter involves the issuance of a grant solicitation by the Board as part of its Clean Energy Program (CEP) and the awarding of the first grant pursuant thereto. The Staff of the Office of Clean Energy (OCE) proposes that the Board allocate monies from the Clean Energy fund to support this solicitation and make this grant in furtherance of the Board's long-standing goals of promoting the economic and public health benefits of energy efficiency and a clean environment to New Jersey's low-income neighborhoods.

BACKGROUND

OCE Staff seeks Board approval to initiate the New Jersey Clean Energy Education and Outreach Neighborhood Weatherization/Preservation Program (hereinafter "grant solicitation"). The purpose of this program is to develop innovative delivery systems that combine energy efficiency and housing renovation programs to increase and preserve environmental quality for low-income households. This can be achieved by providing education for low-income households, and by reducing home maintenance costs through the linkage of weatherization and renovation programs, with Board grant assistance.

Accordingly, Staff proposes that the grant solicitation be directed at New Jersey based nonprofit organizations that actively:

¹ In order to avoid any appearance of a potential conflict, President Jeanne M. Fox abstained from the Board's vote authorizing the award of a New Jersey Clean Energy Education and Outreach Neighborhood Weatherization/Preservation grant in the amount of \$300,000 (\$100,000 per year for three years) to St Joseph's Carpenter Society of Camden, New Jersey and ordering that said grant be used for clean energy and energy efficiency related purposes. President Fox voted on the remaining Staff recommendations placed before the Board in this matter.

- Develop new approaches for delivering energy, weatherization and housing efficiency improvement programs to low income homeowners;
- Demonstrate the ability to match the OCE grant dollar for dollar;
- Demonstrate the ability to work creatively with multiple programs and bureaucracies:
- Demonstrate the potential to add to the knowledge base on strategies to support affordable weatherization and other types of renovation designed to further healthy home environments:
 - Seek Board grants to match outside funds from other agencies, without which the outside funds will not be obtainable.

Such non-profit organizations are best situated to effectively employ Board grant funds to, for example, educate homeowners regarding airborne household pollutants, or financially assist their efforts to improve the insulation in their homes. In this way they would be able to further the Board's clean energy and energy efficiency goals and policies underlying the Clean Energy Program in low-income areas of the State. A copy of the Neighborhood Weatherization Program/Preservation Solicitation is attached hereto.

OCE Staff proposes that the Board fund the grant program with \$500,000 from the Clean Energy Fund which was previously allocated to the CEP's NJ Comfort Partners Program. See I/M/O Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for 2005-2008, Order, BPU Docket No. EX04040276, 12/23/04; I/M/O Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for 2005-2008-Preliminary 2006 Programs and Budgets, Order, BPU Docket No. EX04040276, 12/21/05. The ultimate beneficiaries of the new grant program will be the same type of low-income households that currently benefit from the Comfort Partners Program. Moreover, there exist sufficient unused and unneeded Comfort Partners funds to permit a reallocation in the amount requested by Staff (\$500,000) without materially diminishing the Comfort Partners Program. Therefore Staff recommends that the Board reallocate Comfort Partners funds for this grant program, and requests that the Board modify the aforementioned Orders to effectuate this reallocation, pursuant to its authority under N.J.S.A. 48:2-40...

OCE Staff also requests that the Board issue a grant in the amount of \$300,000 over three years to Saint Joseph's Carpenter Society (SJCS), located in Camden, New Jersey. Founded in 1985, this non-profit organization runs several programs in low-income neighborhoods designed to improve quality of life and create safe neighborhoods through home ownership. One SJSC's programs, "Safe & Healthy Homes," helps low and moderate income families in East Camden, New Jersey improve their home environments through safe housekeeping practices, including the identification of the main sources of airborne pollution. SJSC will use the Board's grant in furtherance of these goals or similar energy efficiency or clean energy related purposes. SJCS meets all the criteria set forth in the attached grant solicitation. This includes matching funds in the form of a grant from the Weatherization, Rehabilitation and Asset Preservation (WRAP) Partnership, supported by the Ford Foundation. In this way, SJCS will be able to leverage Board funds to maximum effect.

CONCLUSION

Based on the foregoing, the Board <u>HEREBY APPROVES</u> the issuance of the attached grant solicitation for the New Jersey Clean Energy Education and Outreach Neighborhood Weatherization/Preservation Program. The Board further modifies its 12/23/04 and 12/21/05 Orders in Docket No. EX04040276 to reallocate \$500,000 from CEP NJ Comfort Partners

Program funds to fund the aforementioned grant solicitation, as set forth more fully herein. The Board further <u>AUTHORIZES</u> the award of a New Jersey Clean Energy Education and Outreach Neighborhood Weatherization/Preservation grant in the amount of \$300,000 (\$100,000 per year for three years) to St Joseph's Carpenters Society of Camden, New Jersey. The Board hereby <u>ORDERS</u> that said grant shall be used by the recipient exclusively in furtherance of clean energy and energy efficiency related purposes.

DATED: 4/17/06

BOARD OF PUBLIC UTILITIES BY

JEANNE M. FOX

FREDERICK F. BUTLER

COMMISSIONER

SEPH L. FIORDALISO

COMMISSIONER

CONNIE O. HUGHES COMMISSIONER

CHRISTINE V. BATOR

ATTEST:

KRISTI IZZO SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public

Utilities

² As stated in Footnote 1, President Fox voted only to approve the issuance of the attached grant solicitation for the New Jersey Clean Energy Education and Outreach Neighborhood Weatherization/Preservation Program and to modify the Board's 12/23/04 and 12/21/05 Orders in Docket No. EX04040276 to reallocate \$500,000 from CEP NJ Comfort Partners Program funds to fund the aforementioned grant solicitation. President Fox abstained from the remaining Staff recommendations in this matter concerning St. Joseph's Carpenter Society.